

**Company Number: 05125969**  
**Registered Charity Numbers: 1104324 and SCO38626**



# **CTC CHARITABLE TRUST**

## **REPORT AND FINANCIAL STATEMENTS**

**30 SEPTEMBER 2010**

## **Reference and Administrative Details of the Charity, its Trustees and Advisors**

### **Trustees**

J Brown  
N N Hayes  
P Mathison (Chairman)  
H A Spurr

### **Chief Executive and Company Secretary**

K E Mayne

### **Registered Office and Operational Address**

Parklands, Railton Road, Guildford, Surrey, GU2 9JX

### **Auditor**

Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, London, WC1B 5LF

### **Bankers**

Royal Bank of Scotland, 10 North Street, Guildford, Surrey, GU1 4AF

### **Solicitors**

Russell Cooke Solicitors, 2 Putney Hill, Putney, London, SW15 6AB

## **REPORT OF THE TRUSTEES**

The Trustees, who are the directors of CTC Charitable Trust (the "Charity") for the purposes of company law, submit their report and the accounts for the year to 30 September 2010.

### **Structure, governance and management**

CTC Charitable Trust is a company limited by guarantee, incorporated in England and Wales on 12 May 2004. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed by its Articles of Association. The company registration number is 05125969.

The Charity was registered as a charity number 1104324 by the Charity Commission on 14 June 2004 and by the Office of the Scottish Charity Regulator as charity number SCO 38626 on 30 August 2009.

Trustees are appointed by Cyclists' Touring Club ("CTC"), the national cyclists' organisation, which founded the Charity in 2004. The Charity has inherited well-established strategies, board procedures, management systems and employees from CTC and is authorised to use the trading brands of CTC in its work. Delivery of all charitable activities is carried out by staff and volunteers from within the CTC membership.

### **Risk review**

The Trustees have considered the risks to which the Charity is exposed, and has in place policies inherited from CTC that mitigate those risks.

### **Public benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

### **Objectives and activities**

The Charity's objectives cover cycling, education, rights and duties of citizens and public servants, road safety, transport, healthful recreation, conservation of the environment, public health and safety. It achieves these objects by promoting cycling and associated education, and providing legal advice, assistance, representation, publications, lectures, research, facilitation and facilities.

Some services were operated on behalf of CTC as shared programmes agreed between the National Council of CTC and the Trustees.

### **Achievement and performance**

#### **Bike Club**

Bike Club continues to be an inspirational approach to cycling for children and young people, mums and parents, increasing cycling in schools and youth settings. Bike Club reaches and includes all members of the community, regardless of age, religion, ability or social background. With funding from the Department for Transport, the ASDA Foundation and local partners Bike Club now extends right across the UK, launching new clubs in Scotland, Wales and Northern Ireland. Over 150 new cycling clubs have been formed so far, each inspiring young people to make cycling part of their lives.

The Bike Club consortium consists of CTC Charitable Trust, ContinYou, the leading community learning organisation and UK Youth, the leading national youth work charity.

#### **Cycle Champions**

The Cycle Champions project continues to inspire, delivering high quality, innovative cycling activities and local volunteer development across England on behalf of BIG Lottery. As we approach the end of our third year of the four year project we are delighted that we have already beaten our original beneficiary targets in all but 3 of our locations with the project set to expand into new areas in 2011. Highlights for the year include the York Youth Games, a joint presence at the Cycle Show partnering Cycle Wheels for Wellbeing highlighting our extensive work in inclusive cycling and numerous inspirational stories of individuals and groups we have supported

## **Training and Development**

A major effort during the year was the work to become accredited as an Instructor Training Organisation (ITO), able to qualify cycling instructors under new arrangements for National Standard cycle training. CTC was finally one of the few organisations approved in November 2010. In the meantime, the team have been busy working with partners to deliver cycle training and supporting activities to more than 800 children in a number of local authorities and communities across England. Outside England, CTC have a seat on the new Scottish Cycle Training Delivery and Standards Group whilst in Wales we have delivered over £50k of bursaries for instructor training, and a major conference as part of our Wales Assembly Government-funded project to increase capacity in cycle training.

There have been some exciting new developments for our off-road education team this year. In addition to delivering leadership courses we have launched several new products, including the GO-MTB skills package which enables young people get more from mountain biking; a GO-MTB leader orientation course and a Young Leader Award launched for those of 14 to 18 years of age which provides a stepping-stone into the world of leading groups and further leadership qualifications.

## **Workplace cycling**

Our commuter focused Workplace Challenge programme continues to prove very popular with the number of challenges delivered rising to 14 this year, a doubling on the previous year and with a range of funding sources including local authority physical activity and environment teams, Cycle Towns, Primary Care Trusts, a climate change grant and our own Cycle Champions project. Headline numbers for the year are as follows:

- 961 organisations participating
- 17,000 individual participants including 2000 beginners
- 1.3 million miles ridden
- 260,000 tonnes CO2 saved

## **Cycle Xtra**

Another new project for this year was the Bike and Leisure programme funded by Cycling England as part of their series of Finding New Solutions pilots. Branded CycleXtra, this project is a partnership with Hoseasons Holidays and the Forestry Commission which saw CTC providing family cycling activities at five holiday parks and forests across England.

## **Mountain biking**

Mountain biking is a part of all our programmes, especially training and community development. We also have more mountain biking members than any other cycling organisation in the UK. As well as this we also provide dedicated support where CTC is increasingly being called on to provide the users perspective on a wide range of mountain bike provision, from access agreements to woodland through to purpose built facilities such as pump tracks and trails. In the future we will continue to grow our trail building work and will focus on developing a more effective business model by partnering more closely with major civil engineering companies who are growing increasingly active in the area.

## **Professional Services**

Our Professional Services team continued to be active on a number of fronts this year. In addition to ongoing consultancy on behalf of Cycling England, the OBIS (Optimising of Bike Sharing in European Cities) Project has progressed

significantly with the website now up and running at [www.obisproject.com](http://www.obisproject.com); regular newsletters published and CTC staff making a presentation to the public conference in Berlin. Interest in this area has been significantly boosted by the highly successful launch of the London cycle hire scheme, lessons from which are being tracked by OBIS.

## **Campaigning**

### **Vote Bike**

So CTC got the ball rolling by conducting our own consultation on what cyclists themselves felt the Active Travel Strategy should say, and fed the results back to Government. We also enlisted the support of CTC President Jon Snow to host breakfast briefings for each of the main political parties, to sound out what commitments their MPs and spokespeople might be willing to support in their manifestos.

This activity all fed into our pre-election Vote Bike campaign. This web-based initiative enabled 2,200 cyclists to contact their parliamentary candidates, urging them to support CTC's 6-point manifesto aimed at doubling cycle use nationally within 10 years. The campaign attracted the support of 700 prospective MPs, of whom 86 were subsequently elected to Parliament. But the campaign also secured commitments to cycling from all three main parties. It has also enabled CTC to identify the key players in a newly reinvigorated All Party Parliamentary Cycling Group (APPCG).

### **Posties**

One of the first things the new APPCG did was to get behind CTC's Keep Posties Cycling campaign, an attempt to dissuade Royal Mail's new Chief Executive Moya Greene from going ahead with her predecessor's plans to get posties off bikes and into vans. After initially blanking CTC's attempts to establish dialogue, Royal Mail became very keen to talk both with us and with our parliamentary supporters, once our delivery of 700 protest letters to Moya Greene gained national TV publicity. Royal Mail have since told us that they may now retain as many as 3000 bikes – their previous plans were to cut down to just 500. Meanwhile we continue to press DfT to increase the maximum permitted weight for electrically-assisted freight cycles, as this could be a much better long-term solution to the problems identified by Royal Mail with the available cycle technologies, given the increases in both the weight and volume of today's mail deliveries due to the growth of internet shopping. It is of course a solution which could also help take a lot of white vans off the road too, as well as red ones!

### **SMIDSY (Sorry mate I didn't see you)**

Two police forces (the Met and Sussex Police) have found CTC's "Stop Smidsy" website more useful than even they had anticipated. The Met agreed to accept reports via Stop Smidsy into their own Roadsafe London website, which results in warning letters being sent to the owners of vehicles for which the police receive reliable reports of bad driving. But they were surprised to discover they were also able to bring successful prosecutions of bad drivers based on helmet-camera footage uploaded via the site. Meanwhile CTC continued to comment throughout the year on a number of cases where drivers got off with absurdly lenient sentences, or in some cases none at all, for driving which led to cyclists being killed or suffering very serious injuries. However we know that the fight to get police, prosecutors, the courts and ultimately the law itself to provide real justice for road crash victims is going to be a long haul.

### **Other Road Safety**

Work on a new Road Safety Strategy was still in progress and the Department for Transport (DfT) was evidently listening to the message of CTC's Safety in Numbers campaign. A DfT-commissioned study on cycle safety was throwing up some useful data on the factors involved in cyclists' collisions but was about to produce some seriously flawed conclusions on cycle helmets. The authors of the study even admitted there was "no specific evidence" to support the study's most headline-grabbing finding about their alleged effectiveness.

### **Fill that Hole**

Our Fillthathole website was featured prominently throughout the winter cold-snap, with over 3000 potholes and other defects being reported to local authorities via the site in February 2010 alone. Six months later CTC had launched a

Fillthathole iPhone app, supported by Aggregate Industries, to great acclaim. Even better still, Aggregate Industries agreed to offer cycle training to their lorry drivers, helping CTC to raise awareness of another key cycle safety issue. And above all, the potholes continue to get fixed, with local authorities really valuing the information from cyclists about where attention is needed.

## **Campaigning where you are**

In Scotland, our lead volunteer Right to Ride (RtR) representative Peter Hawkins made a high-profile presentation on cycling to the Scottish Parliament's Transport, Infrastructure and Climate Change (TICC) Committee, while CTC Councillor Peter Hayman lead the charge in discussions with the Scottish Government to ensure a strong new Cycling Action Plan for Scotland (CAPS). In Wales, CTC's RtR rep Roy Spilsbury continued his valiant battle to get the enormously wide coastal promenade at Llandudno opened up for cycle use. In Northern Ireland CTC Councillor Barry Flood and lead RtR rep Tom McClelland are currently battling to ensure that one Northern Ireland's proposals to ban children from cycling without a helmet. However the prospect of a child helmet law on Jersey remains a real threat. Hats off to local RtR rep Daniel Wimberley for his extraordinary efforts to avert this.

And to so many other local CTC volunteer campaigners for all their extraordinary efforts over the past year. CTC joined forces as usual with the local cycle campaign groups network Cyclenation for two annual campaigners' conference, hosted respectively by Nottingham Pedals and Pompeybug in Portsmouth. The former was also preceded one day earlier by an excellent conference for local authority cycling professionals. So hats off to these two local campaign groups as well.

Strengthening our networks of local campaigners will be a key theme in the year ahead.

## **CTC in Europe**

CTC has increased its activity on the international stage with active participation in a number of international events and projects across Europe. Our membership of the European Cyclists' Federation (ECF) is proving particularly fruitful. It is particularly encouraging to discover that while cycling levels in the UK remain stubbornly below the levels of many of our counterparts there is huge interest in the way CTC promotes and campaigns for cycling in this environment. We have hosted visits to the UK from ECF's board and the Danish Cyclists' Federation while CTC staff have spoken at events in Sweden, Germany, Denmark, Switzerland, Belgium, Poland and Spain. We have received funding from two EU projects and we are expecting to participate in at least two more in the coming year. We have also set up unique reciprocal cycle touring opportunities with sister organisations in Italy and Russia.

## **Financial review**

The Trust continues to grow with its charitable activities attracting a number of new grants. The charitable activities have been redefined this year to better reflect the activities that the Trust is now carrying out.

Development of detailed financial plans and policies for the Charity have again been deferred by the Trustees pending the outcome of the proposal, fully supported by the Trustees, that CTC becomes a charity and that the new charitable organisation merges with the CTC Charitable Trust.

## **Reserves policy and financial risk review**

The strategic plan for the Charity remains one of building up our activities through additional income which will enable us to grow our activities and allow more people to enjoy the benefits of cycling. Our annual donation from CTC will be a smaller percentage of income but is essential to maintaining activities which are unlikely to be funded by other sources

such as campaigning and for us to provide charitable services which benefit all current and potential cyclists including CTC members. We plan to build up reserves specifically to deal with any gaps between grant funded contracts, and other financial risks.

### **Investment policy**

The Charity continues to follow the overall investment policy of CTC until such time as the Charity has built up its own reserves.

## **Future strategy**

### **Education & Development**

As Cycling England is wound up in 2011, the Professional Services team will switch their attention more to the corporate world and in particular will focus on developing and delivering products which enhance and extend the Workplace Challenges under the new Cycle Friendly Workplace banner. 2011 is also the final year of the European OBIS Project with major activities being to help facilitate a conference London (in conjunction with Transport for London) and running the workshop at which the key decisions will be taken regarding the production of the Best Practice Manual – the primary output of the project;

The key target for the on-road cycle training team will be to complete the process to become a Department for Transport appointed ITO and subsequently become the UK's preferred provider of Instructor training and membership services. In addition we will launch the new Ride Supporter and Ride Manager qualifications for those wishing to organise and lead community cycling activities and continue to deliver innovative cycle training packages to local authorities and others.

2011 will see a significant expansion of our current portfolio of off-road courses with a new streamlined booking system launched and a shift in focus towards more public courses. We also plan to roll-out a Skill Instructor Light course which is a new course recently piloted, designed for instructors working on urban skills development environments with a combination of fundamentals from the Trail Leader and Skill Instructor courses followed by a days GO-MTB orientation course. There will also be more news on the provision of skills courses for individuals.

### **Cycle Champions**

Based on exceeding all our targets, the BIG Lottery has approved an extension of both the scope of activities and geographic areas for the project in its final 18 months. This will mean all projects targeting the key beneficiary groups including BME groups, older people, inclusive cycling and women. However the project will now also focus on young people for the first time and will allow us to extend Bike Club and related activities into areas they are currently not available. In addition, the territory of each officer has also been expanded such that Cycle Champions activities will now in reach of more than 70% of people in England.

### **Business Development**

A number of Workplaces Challenges have already been pencilled in for 2011 including York, Cambridge and Leicester. We will also focus improving on-sales of CTC products through the challenge including the affiliated Bicycle User Group (BUG) package and associated CTC membership. Next year will also see the final year of both the South-East Health Workplace Challenge and the CycleXtra project with the focus in both cases being to maximise participation and identify opportunities for sustainability of the projects in 2012.

We will continue to grow our trail building work and will focus on developing a more effective business model by partnering more closely with major civil engineering companies who are growing increasingly active in the area.

### **Bike Club**

With the project now fully underway, 2011 will see the team focus on achieving targets for numbers of clubs, individuals and volunteers engaged in the project as well the extension of the current operating areas. In addition, the new Bike Club website will be launched and there will be a number of events to promote the Bike Club tool kit, a major output from the project that will help embed Bike Club as a ongoing sustainable activity.

## Statement of Trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- There is no relevant audit information of which the charity's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Small company provisions

The report has been prepared in accordance with the special provision for small companies under Part 15 of the Companies Act 2006.

## Auditor

A decision has been made by the Trustees not to reappoint Chantrey Vellacott DFK LLP as auditor.

Buzzacott LLP have indicated their willingness to be appointed as auditor for future accounting periods, subject to their appointment at the next annual general meeting.

Approved by the Trustees and signed on their behalf by

P Mathison  
19 February 2011

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CTC CHARITABLE TRUST**

We have audited the financial statements of CTC Charitable Trust for the year ended 30 September 2010 which comprise of the statement of financial activities, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditor**

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of Trustees' responsibilities.

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with those financial statements.

We also report to you if, in our opinion, the Charity has not kept adequate and proper accounting records, if the Charity's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion

- the financial statements give a true and fair view of the state of the Charity's affairs as at 30 September 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Report of the Trustees is consistent with the financial statements.

IAN STAUNTON (Senior Statutory Auditor)  
for and on behalf of CHANTREY VELLACOTT DFK LLP  
Chartered Accountants  
Statutory Auditor  
London  
19 February 2011

Chantrey Vellacott DFK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2010**

|  |      | 2010               |                  | 2009             |                  |
|--|------|--------------------|------------------|------------------|------------------|
|  | Note | Unrestricted Funds | Restricted Funds | Total Funds      | Total Funds      |
|  |      | £                  | £                | £                | £                |
| <b>INCOMING RESOURCES</b>  |      |                    |                  |                  |                  |
| <b>Incoming resources from generated funds</b>   |      |                    |                  |                  |                  |
| Grants   |      | -                  | 2,170,079        | 2,170,079        | 1,367,530        |
| Donations, legacies and other voluntary income   | 2    | 685,003            | -                | 685,003          | 477,942          |
| Investment income and interest   |      | 115                | -                | 115              | 209              |
| <b>Total</b>   |      | <b>685,118</b>     | <b>2,170,079</b> | <b>2,855,197</b> | <b>1,845,681</b> |
| <b>Incoming resources from charitable activities</b>                                       |      |                    |                  |                  |                  |
| Grants   |      | -                  | 740,767          | 740,767          | 52,920           |
| Sales and services provided  |      | 516,384            | -                | 516,384          | 563,598          |
| Services provided to Group Companies   |      | 420,096            | -                | 420,096          | 407,380          |
| Other incoming resources   |      | 2,657              | -                | 2,657            | 4,624            |
| <b>Total</b>   |      | <b>939,137</b>     | <b>740,767</b>   | <b>1,679,904</b> | <b>1,028,522</b> |
| <b>TOTAL INCOMING RESOURCES</b>  |      | <b>1,624,255</b>   | <b>2,910,846</b> | <b>4,535,101</b> | <b>2,874,203</b> |
| <b>RESOURCES EXPENDED</b>  |      |                    |                  |                  |                  |
| <b>Costs of generating donations</b>   |      | <b>16,283</b>      | <b>-</b>         | <b>16,283</b>    | <b>45,811</b>    |
| <b>Charitable activities</b>   |      |                    |                  |                  |                  |
| Health and wellbeing projects  |      | 66,002             | 1,479,975        | 1,545,977        | 1,005,881        |
| Youth projects   |      | 16,255             | 1,117,978        | 1,134,233        | 303,861          |
| Education and services for organisations   |      | 299,554            | 258,231          | 557,785          | 336,103          |
| Cycle training   |      | 304,937            | 84,106           | 389,043          | 400,768          |
| Campaigning  |      | 265,324            | -                | 265,324          | 195,830          |
| Cycling development  |      | 648,900            | 500              | 649,400          | 580,274          |
| <b>Total, charitable activities</b>  | 4    | <b>1,600,972</b>   | <b>2,940,790</b> | <b>4,541,762</b> | <b>2,822,717</b> |
| <b>Governance costs</b>  |      | <b>7,000</b>       | <b>-</b>         | <b>7,000</b>     | <b>5,675</b>     |
| <b>TOTAL RESOURCES EXPENDED</b>  |      | <b>1,624,255</b>   | <b>2,940,790</b> | <b>4,565,045</b> | <b>2,874,203</b> |
| <b>NET INCOMING / (OUTGOING) RESOURCES</b> , being net income / (expenditure) for the year | 3    | <b>-</b>           | <b>(29,944)</b>  | <b>(29,944)</b>  | <b>-</b>         |
| <b>RECONCILIATION OF FUNDS</b>   |      |                    |                  |                  |                  |
| Total funds brought forward  |      | 1,248,865          | 105,894          | 1,354,759        | 1,354,759        |
| <b>TOTAL FUNDS CARRIED FORWARD</b>   | 8    | <b>1,248,865</b>   | <b>75,950</b>    | <b>1,324,815</b> | <b>1,354,759</b> |

All recognised gains and losses are shown above and therefore a separate Statement of Total Recognised Gains and Losses has not been presented. All amounts relate to continuing activities.

The notes on pages 13 to 17 form part of these financial statements.

## BALANCE SHEET AS AT 30 SEPTEMBER 2010

|   |      | 2010           |                         | 2009 |                         |
|---|------|----------------|-------------------------|------|-------------------------|
|   | Note | £              | £                       |      | £                       |
| <b>FIXED ASSETS</b>                                     | 5    |                | 1,581,684               |      | 1,610,693               |
| <b>CURRENT ASSETS</b>                                   |      |                |                         |      |                         |
| Stocks  |      | 216            |                         |      | -                       |
| Debtors   | 6    | 533,901        |                         |      | 515,471                 |
| Cash at bank and in hand                                |      | <u>321,244</u> |                         |      | <u>145,263</u>          |
|   |      |                | 855,361                 |      | 660,734                 |
| <b>CREDITORS</b> , amounts falling due within one year: | 7    |                | <u>1,112,230</u>        |      | <u>916,668</u>          |
| <b>NET CURRENT LIABILITIES</b>                          |      |                | <b>(256,869)</b>        |      | <b>(255,934)</b>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>            |      |                | <u><b>1,324,815</b></u> |      | <u><b>1,354,759</b></u> |
| <br>  |      |                |                         |      |                         |
| <b>THE FUNDS OF THE CHARITY</b>                         |      |                |                         |      |                         |
| Unrestricted funds                                      |      |                | 1,248,865               |      | 1,248,865               |
| Restricted funds  |      |                | <u>75,950</u>           |      | <u>105,894</u>          |
| <b>TOTAL FUNDS</b>                                      | 8    |                | <u><b>1,324,815</b></u> |      | <u><b>1,354,759</b></u> |

In the preparation of these financial statements, advantage has been taken of special exemptions applicable to small companies on the grounds that the Charity is a small company as defined in the Companies Act 2006.

Approved by the Trustees and authorised for issue on 19 February 2011 and signed on their behalf by:

P Mathison  
Chairman

The notes on pages 13 to 17 form part of these financial statements.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

## 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and the Statement of Recommended Practice 2005 issued by the Charity Commission in March 2005 and revised in July 2008.

### b) Incoming and outgoing resources

Incoming resources are recognised in the Statement of Financial Activities as follows:

Grant income is recognised when the conditions of receipt have been met and there is reasonable assurance of receipt;

Donations and gifts are recognised when received, unless the donor has specified that the donation or gift is to be used in a future accounting period;

Legacies are recognised when the Charity is advised by the personal representatives of an estate that payment will be made or property transferred and the amount involved can be quantified; and

All other income is recognised when received.

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

### c) Charitable funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds which the Trustees have allocated for a particular purpose.

Restricted funds are to be used for the specific purposes as laid down by the donor. Expenditure which meets those criteria is charged to the fund, together with a fair allocation of management and support costs.

### d) Depreciation

Freehold land is stated at cost.

All other fixed assets are stated at cost less depreciation. Depreciation is provided at rates estimated to write off the cost, less any residual value, of each asset over its expected useful life, as follows:

Buildings – over 25 years

Intangible Assets - over 10 years

Computer equipment - over three years.

Furniture and other items - over 10 years.

Fully depreciated assets are eliminated from the balance sheet.

### e) Hire purchase and finance leases

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet and are depreciated in accordance with the Charity's normal policy. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest on such agreements is charged to the profit and loss account over the terms of each agreement and represents a constant proportion of the balance of capital repayments outstanding.

### f) Corporation tax

As the CTC Charitable Trust is a registered charity under the Charities Act 1993 it is entitled to the exemptions from tax afforded by sections CTA 2010 ss 466 – 493 so far as its income and gains are applied for charitable purposes.

### g) Pension scheme

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in independently administered funds. The pension costs shown in note 10 represent contributions payable by the Charity to the funds, all of which have been paid over.

**h) Cash flow statement**

The Charity has taken advantage of the exemptions available under FRS1 and has not prepared a cash flow statement.

**i) Related party transactions**

The Charity has taken advantage of the exemptions in FRS 8 – Related Party Disclosures and has not reported transactions with other group companies. There are no other related party transactions.

**2. Voluntary income**

|                                | 2010               |                  | 2009               |
|--------------------------------|--------------------|------------------|--------------------|
|                                | Unrestricted Funds | Restricted Funds | Unrestricted Funds |
|                                | £                  |                  | £                  |
| Donations (including Gift Aid) | 684,121            | -                | 460,566            |
| Legacies                       | 882                | -                | 17,376             |
|                                | <b>685,003</b>     |                  | <b>477,942</b>     |
|                                |                    | -                |                    |

**3. Net incoming / (outgoing) resources for the year**

This is stated after charging:

|                           | 2010    | 2009   |
|---------------------------|---------|--------|
|                           | £       | £      |
| Audit fees                | 7,000   | 5,675  |
| Bank charges and interest | 3,163   | 7,229  |
| Depreciation              | 104,264 | 91,347 |
| Non-recoverable VAT       | 26,144  | 20,125 |

**4. Resources expended on charitable activities**

|                    | 2010             | 2009             |
|--------------------|------------------|------------------|
|                    | £                | £                |
| Staff costs        | 1,849,713        | 1,331,969        |
| Other direct costs | 2,312,710        | 1,164,597        |
| Support costs      | 379,339          | 326,151          |
|                    | <b>4,541,762</b> | <b>2,822,717</b> |

## 5. Fixed assets

|                                      | Freehold<br>land and<br>buildings<br>£ | Furniture<br>and<br>equipment<br>£ | Intangible<br>assets<br>£ | Total<br>£       |
|--------------------------------------|--|------------------------------------|---------------------------|------------------|
| <b>Cost</b>                          |  |                                    |                           |                  |
| 1 October 2009                       | 1,564,710                              | 152,716                            | 29,500                    | 1,746,926        |
| Additions during the year            | -                                      | 75,255                             | -                         | 75,255           |
| Fully depreciated assets written off | -                                      | (72,705)                           | -                         | (72,705)         |
| 30 September 2010                    | 1,564,710                              | 155,266                            | 29,500                    | 1,749,476        |
| <b>Depreciation</b>                  |  |                                    |                           |                  |
| 1 October 2009                       | 94,225                                 | 39,058                             | 2,950                     | 136,233          |
| Charge for year                      | 26,589                                 | 74,725                             | 2,950                     | 104,264          |
| Fully depreciated assets written off | -                                      | (72,705)                           | -                         | (72,705)         |
| 30 September 2010                    | 120,814                                | 41,078                             | 5,900                     | 167,792          |
| <b>Net Book Value</b>                |  |                                    |                           |                  |
| <b>At 30 September 2010</b>          | <b>1,443,896</b>                       | <b>114,188</b>                     | <b>23,600</b>             | <b>1,581,684</b> |
| At 30 September 2009                 | 1,470,485                              | 113,658                            | 26,550                    | 1,610,693        |

Intangible assets arose from the purchase by the Charity of the business of OTC Training Limited as a going concern.

## 6. Debtors

|                                  | 2010<br>£      | 2009<br>£      |
|----------------------------------|----------------|----------------|
| Trade debtors                    | 284,675        | 222,644        |
| Prepayments                      | 215,860        | 268,121        |
| Amounts due from group companies | 30,698         | 24,123         |
| Other debtors                    | 2,668          | 583            |
|                                  | <b>533,901</b> | <b>515,471</b> |

## 7. Creditors, amounts falling due within one year

|                                   | 2010<br>£        | 2009<br>£      |
|-----------------------------------|------------------|----------------|
| Trade creditors & accruals        | 339,167          | 181,537        |
| Other taxes and social security   | 59,575           | 42,247         |
| Deferred income                   | 45,540           | 220,815        |
| Other creditors                   | 11,833           | 26,240         |
| Amounts due to parent undertaking | 268,115          | 57,829         |
| Loan from Cyclists' Touring Club  | 388,000          | 388,000        |
|                                   | <b>1,112,230</b> | <b>916,668</b> |

The loan from CTC was made to assist in the purchase of the new office and is repayable on 30 September 2011. Interest is payable at the Bank of England base rate.

Deferred income represents grant income for projects received in advance.

## 8. Movement in funds

|  | At 30<br>September<br>2009 | Incoming<br>Resources | Outgoing<br>Resources | Transfers | At 30<br>September<br>2010 |
|--|----------------------------|-----------------------|-----------------------|-----------|----------------------------|
|  | £                          | £                     | £                     | £         | £                          |
| <b>Unrestricted Funds:</b>               |                            |                       |                       |           |                            |
| General Funds                            | 1,235,868                  | 1,619,710             | (1,621,155)           | -         | 1,234,423                  |
| Premises sinking fund                    | 12,997                     | 4,545                 | (3,100)               | -         | 14,442                     |
| <b>Total, Unrestricted funds</b>         | <b>1,248,865</b>           | <b>1,624,255</b>      | <b>(1,624,255)</b>    | -         | <b>1,248,865</b>           |
| <b>Restricted Funds:</b>                 |                            |                       |                       |           |                            |
| Health and wellbeing projects            | 94,365                     | 1,438,038             | (1,479,975)           | -         | 52,428                     |
| Youth projects                           | -                          | 1,126,685             | (1,117,978)           | -         | 8,707                      |
| Education and services for organisations | -                          | 263,966               | (258,231)             | -         | 5,735                      |
| Cycle training                           | 11,529                     | 81,657                | (84,106)              | -         | 9,080                      |
| Campaigning                              | -                          | -                     | -                     | -         | -                          |
| Cycling development                      | -                          | 500                   | (500)                 | -         | -                          |
| <b>Total, Restricted funds</b>           | <b>105,894</b>             | <b>2,910,846</b>      | <b>(2,940,790)</b>    | -         | <b>75,950</b>              |
| <b>Total Funds</b>                       | <b>1,354,759</b>           | <b>4,535,101</b>      | <b>(4,565,045)</b>    | -         | <b>1,324,815</b>           |

Funds carried forward are made up of the following:

|   |   |
|---|---|
| General funds   | Unrestricted funds that may be used to further the charity's objects.   |
| Premises sinking fund                                     | Unrestricted funds which the Trustees have allocated for the repair and maintenance of National Office.   |
| <b>Health and wellbeing projects</b>                      |   |
| Big Lottery Champions project                             | The BIG Lottery project set up by the Active Travel Consortium of which the Charity is a member to bring the benefits of cycling to a wide range of under-represented groups and communities. |
| Cycling programmes for health                             | A project to build on and increase the variety of physical activity opportunities within the already established physical activity referral schemes in Sheffield.                             |
| Bike and leisure  | A project bringing new people to cycling, motivating people to cycle, and to get people to cycle regularly.   |
| Health communities and older people partnership           | A programme of low impact physical activity in Swindon for older adults at risk of inactivity and social exclusion.   |
| <b>Youth projects</b>                                     |   |
| Physical activity coordinator for early years             | A project to promote active lifestyles across the South East for the early years.   |
| Schools champions and active recreation (Cycling England) | A project to deliver Bike Club in eight places, to integrate cycling beyond simply the journey to school to become a mode of transport to out of school activities.                           |
| Schools champions and active recreation (ASDA)            | A project to deliver Bike Club in a further six places, to integrate cycling beyond simply the journey to school to become a mode of transport to out of school                               |

activities.

**Education and services for organisations**

Workplace Challenge                      A number of projects aimed at encouraging employers to assist their employees to cycle for work and for leisure.

**9. Analysis of assets in the funds**

|                          | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total Funds</b> |
|--------------------------|-------------------------------|-----------------------------|--------------------|
|                          | £                             | £                           | £                  |
| Cash at bank and in hand | 245,294                       | 75,950                      | 321,244            |
| Fixed assets             | 1,581,684                     | -                           | 1,581,684          |
| Stocks                   | 216                           | -                           | 216                |
| Debtors                  | 533,901                       | -                           | 533,901            |
| Creditors                | (1,112,230)                   | -                           | (1,112,230)        |
| <b>Total</b>             | <b>1,248,865</b>              | <b>75,950</b>               | <b>1,324,815</b>   |

**10. Staff costs**

|                             | <b>2010</b>    | <b>2009</b>    |
|-----------------------------|----------------|----------------|
|                             | £              | £              |
| Salaries and fees payable   | 591,266        | 508,928        |
| Social security costs       | 59,706         | 52,290         |
| Pension costs               | 11,963         | 10,450         |
|                             | <b>662,935</b> | <b>571,668</b> |
| <br>                        |                |                |
| Average number of employees | 19             | 19             |

In addition to the above, 54 staff (2009 - 35) were employed by the Charity on a project basis, and the salaries and fees payable were £1,666,865, social security costs of £160,925 and pension costs of £21,923. The salaries of these staff are shown as expenses of the appropriate activity.

No staff employed by the Charity earned in excess of £60,000.

**11. Ultimate parent undertaking**

As sole member of the Charity, Cyclists' Touring Club has the right to appoint or remove a majority of the board of directors and therefore in accordance with Part 38 section 1159 (b) of the Companies Act 2006, the Charity is a subsidiary of Cyclists' Touring Club, a company limited by guarantee, incorporated in England and Wales. In the event of the Charity winding up, Cyclists' Touring Club, as the sole member, has guaranteed to contribute £1 or any smaller amount required.